GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1526
ANSWERED ON:16.07.2004
SMALL SAVINGS
Mandal Shri Sanat Kumar;Meghwal Shri Kailash

Will the Minister of FINANCE be pleased to state:

(a)whether small savings has increased sharply in the country during 2003-2004 as compared to the last year;

(b) if so, the details thereof;

(c) whether the Government proposes to increase any incentives to boost further small savings in the country; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b) The small savings collections during 2003-04 (Provisional) were 27 per cent higher than the collections during 2002-03.

(c) & (d) The small savings schemes already enjoy a number of incentives like zero risk, attractive returns, income tax concessions, easy accessibility, liquidity, etc. which has contributed to the boost in the small savings collections. Further, a new savings scheme for senior citizens, offering an interest rate of nine per cent per annum has been announced in the Budget Speech 2004-05.